28 February 2017

Revolution Bars Group plc (LSE: RBG)
Interim results for the six months ended 31 December 2016

Revolution Bars Group plc ("the Group"), a leading UK operator of premium bars, trading under the Revolution and Revolución de Cuba brands, today announces its interim results for the six months ended 31 December 2016.

Financial highlights

- Revenue of £66.7m (FY16: £59.2m), an increase of 12.7%.
- Positive like-for-like sales* growth of +2.0%
- Like-for-like sales* growth for the eight weeks to 25 February rose by +1.7%
- Adjusted* EBITDA up 13.6% to £9.2m (FY16: £8.1m).
- Reported Operating Profit £4.7m (FY16 : £4.7m)
- Adjusted* EPS up 7.1% to 9.1p (FY16: 8.5p). Reported EPS of 7.7p (FY16: 8.0p)
- Interim dividend up 10% to 1.65p per share (FY15: 1.5p per share).

**See the Financial Review for a definition of non-GAAP measures*

Operational highlights

- Opening of four new Revolución de Cuba bars at Harrogate, Aberdeen, Reading and Glasgow.
- Estate growth to 66 sites with 53 Revolution and 13 Revolución de Cuba bars.
- Plan to open more new bars than expected; 6 not 5
- Two new sites planned for opening in the second half of the year, taking the estate to 68.
- Significant growth in digital customer engagement
- Operating model is continuing to deliver carefully, well planned growth

Commenting on the results, Mark McQuater, CEO, said:
"I am delighted to report another good set of results for Revolution Bars Group. Our finely tuned operating model has delivered like-for-like sales growth and well planned expansion. During the period we have added another four Revolución de Cuba units taking the estate to 66 units, along with two more bars scheduled for opening in the second half, and we are confident of meeting our strategic growth targets."

The information contained within this announcement is deemed to constitute inside information under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

For further information:
Revolution Bars Group plc

Mark McQuater, CEO	0161 330 3876
Chris Chambers, CFO	0161 330 3876

Instinctif Partners

Justine Warren / Matthew Smallwood	020 7457 2020

A presentation for analysts will be held today and the presentation will be made available on the Group's corporate website at www.revolutionbarsgroup.com.

CHAIRMAN'S STATEMENT

Our business

The Group's strategy is to provide high quality leisure retail brands in the bar and restaurant sector. We will continue to grow the estate under our two brands, Revolution and Revolución de Cuba, and, having opened four new Revolución de Cuba bars in the period, we now operate from 66 premium bars nationwide. We have expanded the Revolución de Cuba estate to thirteen units and believe there remains significant scope for further expansion. This brand is well-positioned and will continue to be the focus for our growth in the short term. We will also expand our Revolution estate and we will be opening two new Revolution bars before the summer.

Our results

In the last six months, we have continued on the journey that we started at IPO in March 2015. Turnover growth, positive like-for-like sales and improved profit conversion were all pleasing to note and reflect, in my view, the underlying appeal of the brands to its target customers.

It was also particularly pleasing to open four new bars in Harrogate, Reading, Aberdeen and Glasgow during the period and all are trading in line with our pre-investment expectations.

Our dividend

As previously stated, the Board is adopting a progressive dividend policy which reflects the cash flow generation and the long-term earnings potential of the Group whilst retaining sufficient capital to fund investment to grow the business. In line with this policy, the Board has approved an interim dividend and the Company will pay an interim dividend of 1.65 pence per share in respect of the six months to 31 December 2016**.** This will be paid on 6 April 2017 to shareholders on the register on 17 March 2017.

People

I would like to acknowledge the dedication and hard work demonstrated by our employees along with our management teams. Our people are key to the success of the Group and I would like to thank them all for their support during FY17 thus far and for their continued contribution to our success.

Our future

Recent trading over January and February has been positive. Like-for-like sales for the eight weeks to 25 February rose by 1.7%. This, taken together with improved Adjusted PBT and the impact of new sites, gives us the platform to be confident about our prospects for the future.

Keith Edelman
Chairman
28 February 2017

CEO'S STATEMENT

I am delighted to be reporting on another good set of results for the Group, the highlights of which were continued like-for-like sales growth, improved EBITDA margin and, perhaps most notably, the opening of four new Revolución de Cuba bars, taking the estate to 66 units.

Revenue for the six-month period was £66.7m (FY16: £59.2m) with like for like sales up 2.0%. The business has now delivered thirteen consecutive quarters of sales growth. The Christmas period traded well, along with Like-for-like sales in the eight weeks to 25 February were up +1.7%.

The half-year delivered a record profit, measured by Adjusted EBITDA of £9.2m (FY16: £8.1m), an increase of 13.6% with Reported EBITDA of £8.4m (FY16: £7.8m). Adjusted profit before tax also rose to £5.5m (FY16: £5.0m), an increase of 10.0%, with Reported profit before tax of £4.6m (FY16: £4.7m). This continues to show that the results are benefitting from customer appeal resulting from our brand positioning, food-friendly environment and premium products.

Our strategy continues to focus on:

- providing our customers with a differentiated, premium drinks and food experience;
- continued profit improvement from existing sites; and
- estate expansion through organic growth of both brands.
- Digitally led customer engagement

Christmas
The important Christmas trading was strong, with Pre Booked Revenue over the festive period also showing significant growth. This was a focus for business to plan effectively for this trading period, with bookings taken from January 2016 onwards. The bar teams coped with the peak demand period in an effective manner to ensure the customers had a really great experience.

Disciplined operational model
The pillars of growth of our operating model are to grow like for like sales in the existing estate, expansion through careful and well planned openings and digitally led customer engagement.

We continually look to refine our operating model in order to exploit a widening and promising pipeline of opportunities. Recent openings in Stafford and Harrogate demonstrate both brands' attractiveness across different scale propositions.

New sites and pipeline
In the first half of the trading year we opened four new Revolución de Cuba bars, in Harrogate, Reading, Aberdeen and Glasgow. Trading for all four bars is currently tracking in-line with our pre-investment expectations and we can look forward to opening more new bars in the second half with further confidence.

We are planning to open two new units in the second half of our financial year; a Revolution bar in Southend-on-Sea and in Torquay, where we are currently on site.

Existing site profit improvement
As we have previously said, the Board believes that there is more profit to achieve from the existing estate, as these results demonstrate and we are well-placed to continue to benefit from operational gearing as we grow the estate.

We have a highly-invested estate and we continue to invest both to support existing estate financial performance and in new opportunities. We are reviewing the estate for further opportunities to enhance and extend our trading spaces.

Digital and innovation
Management of our digital customer base ensures each campaign is targeted towards engaged contacts. We have seen a significant growth in pre-booked occasions and digital customer engagement through our digitally led marketing campaigns.

Our people
People remain key to our success and we continue to invest in their training to ensure the level of service provided to our customers is a premium drink and food experience. I would like to thank all of our employees for their continued hard work and dedication.

Mark McQuater
Chief Executive Officer
28 February 2017

FINANCIAL REVIEW

The company provides certain non-GAAP measures to enhance understanding of its underlying performance.

- Like-for-like sales are total retail sales from bars that have been trading continuously for at least twelve months.
- Adjusted PBT excludes non-recurring opening cost and exceptional items from reported PBT.
- Adjusted EBITDA denotes earnings before interest, tax depreciation, amortisation, exceptional items and non-recurring opening costs.
- Adjusted EPS excludes non-recurring opening costs and exceptional items from reported EPS.

Reconciliation of Non-GAAP measure	**(Unaudited) Six months ended 31 December 2016 £'000**	(Unaudited) Six months ended 31 December 2015 £'000	Audited Year ended 30 June 2016 £'000
Operating profit	**4,658**	4,722	7,273
Exceptional items	**-**	-	1,392
Non recurring opening costs	843	298	680
Adjusted operating profit	**5,501**	**5,020**	**9,345**
Finance expense	**(42)**	(71)	(129)
Adjusted profit before tax	**5,459**	4,949	9,216
Depreciation	**3,681**	3,071	6,263
Finance expense	**42**	71	129
Adjusted EBIDTA	**9,182**	8,091	15,608

Trading performance

Revenue for the first six months of the year to December 2016 rose by 12.7% to £66.7m (FY16: £59.2m). Like-for-like sales growth over the same period was 2.0%.

Adjusted profit before tax increased by £0.5m to £5.5m an increase of 10%, which was underpinned by the continued growth in Like-for-like sales of +2.0% in the existing estate along with adding a further four units in the first six months, which will allow us to further leverage our cost base and flow through of profit for the full year. Reported operating profit of £4.7m (FY16: £4.7m) was impacted by opening costs associated with the new sites, which amounted to £0.8m (FY16: £0.3m), along with increased depreciation arising from six additional new units versus H1 FY16.

Finance revenue and cost

Finance costs were £0.1m in the period (FY16: £0.1m) reflecting the Group's usage of its £5.0m Revolving Credit Facility ("RCF"), provided by the Group's bankers. Since the period-end, the Group has increased the RCF to a three year £10m facility to fund future development (three year facility).

Taxation

The net income tax charge of £0.8m (FY16: £0.7m) consists of current income tax expense arising from the standard rate of UK corporation tax, as adjusted for permanent and temporary timing differences and the effect of changes in the tax rate.

Operating cash flow and net debt

The Group continued to be cash generative in the period with operating cash inflow of £6.2m, an increase of £1.1m over the prior period (FY16: £5.1m).

The Group had drawn £5.0m of its committed RCF at the end of the period, principally relating to capital expenditure outflows associated with the development of the new sites, all of which opened within a ten-week period. Cash and cash equivalents were £5.0m at the balance sheet date (FY16: £1.6m) resulting in nil net-debt at the period end.

Capital expenditure
The Group spent £6.9m on capital expenditure during the first six months of FY17 (FY16: £7.8m). Of this, £4.4m (FY16: £4.4m) was incurred on the 4 new openings and certain advance spent on upcoming pipeline sites. The remainder, £2.5m was incurred on the existing estate (FY16: £3.4m).

Earnings per share
The adjusted basic earnings per share for the period was 9.1 pence (FY16: 8.5 pence), reported 7.7 pence (FY16: 8.0 pence per share).

Basis of preparation
As previously reported, the Group operates a four-four-five accounting calendar and as each accounting period can refer only to complete accounting weeks, the period under review reflects the results of the twenty-six weeks to 31 December 2016.

Dividend
The Board is declaring an interim dividend of 1.65 pence per share, (FY16: 1.50 pence per share). This will be paid on 6 April 2017 to shareholders on the register on 17 March 2017.

Current outlook
The strong first half performance reflects determined execution of our operating model. Whilst certain cost headwinds are expected in the second half, the strong first half performance, together with on-going mitigating activities mean the group is meeting expectations.

Chris Chambers
Chief Financial Officer
28 February 2017

Revolution Bars Group plc
Condensed Consolidated Statement of Comprehensive Income
for the six months ended 31 December 2016

	(Unaudited) Six months ended 31 December 2016 £'000	(Unaudited) Six months ended 31 December 2015 £'000	Audited Year ended 30 June 2016 £'000
Revenue	**66,708**	59,248	119,491
Cost of sales	**(16,113)**	(14,210)	(28,618)
Gross profit	**50,595**	45,038	90,873
Administrative expenses			
- operating expenses, excluding exceptional items	**(45,937)**	(40,316)	(82,208)
- exceptional items	**-**	-	(1,392)
Total administrative expenses	**(45,937)**	(40,316)	(83,600)
Operating profit	**4,658**	4,722	7,273
Finance expense	**(42)**	(71)	(129)
Profit on ordinary activities before taxation	**4,616**	4,651	7,144
Tax on ordinary activities	**(766)**	(651)	(1,075)
Profit and total comprehensive income for the period	**3,850**	4,000	6,069
Earnings per share			
Basic (pence)	**7.7p**	8.0p	12.1
Diluted (pence)	**7.3p**	7.6p	11.5

Non-GAAP measure			
Operating profit	**4,658**	4,722	7,273
Exceptional items	**-**	-	1,392
Non recurring opening costs	843	298	680
Adjusted operating profit	**5,501**	**5,020**	**9,345**
Finance expense	**(42)**	(71)	(129)
Adjusted profit before tax	**5,459**	4,949	9,216
Depreciation	**3,681**	3,071	6,263
Finance expense	**42**	71	129
Adjusted EBIDTA	**9,182**	8,091	15,608

Revolution Bars Group plc
Condensed Consolidated Statement of Financial Position
at 31 December 2016

	(Unaudited) 31 December 2016 £'000	(Unaudited) 31 December 2015 £'000	Audited 30 June 2016 £'000
Assets			
Non-current assets			
Property, plant and equipment	**56,504**	51,449	53,300
Current assets			
Inventories	**4,211**	3,706	3,504
Trade and other receivables	**8,432**	7,474	9,502
Cash and cash equivalents	**4,939**	1,553	2,770
	17,582	12,733	15,776
Total assets	**74,086**	64,182	69,076
Liabilities			
Current liabilities			
Financial liabilities	**(5,000)**	(2,500)	-
Trade and other payables	**(17,777)**	(14,584)	(20,398)
Tax payable	**(2,513)**	(1,563)	(1,798)
	(25,290)	(18,647)	(22,196)
Non-current liabilities			
Deferred tax liability	**(3,234)**	(2,994)	(3,183)
Financial liabilities	**-**	-	(500)
Other liabilities	**(2,112)**	(2,816)	(2,015)
	(5,346)	(5,810)	(5,698)
Total liabilities	**(30,636)**	(24,457)	(27,894)
Net assets	**43,450**	39,725	41,182
Equity attributable to equity holders of the parent			
Issued share capital	**50**	50	50
Merger reserve	**11,645**	11,645	11,645
Reserves	**31,755**	28,030	29,487
Total equity	**43,450**	39,725	41,182

Revolution Bars Group plc
Condensed Consolidated Statement of Cash Flow
for the six months ended 31 December 2016

	(Unaudited) Six months ended 31 December 2016 £'000	(Unaudited) Six months ended 31 December 2015 £'000	Year ended 30 June 2016 £'000
Cash flows from operating activities			
Profit after tax from operations	**3,850**	4,000	6,069
Net finance costs	**42**	71	129
Depreciation of property, plant and equipment	**3,681**	3,071	6,263
Tax expense	**766**	651	1,075
Increase in inventories	**(707)**	(723)	(521)
Decrease / (increase) in trade and other receivables	**1,070**	1,762	(265)
(Decrease) / increase in trade and other payables	**(2,456)**	(3,741)	1,434
Tax paid	**-**	-	-
Net cash flows generated from operating activities	**6,246**	5,091	14,184
Cash flows from investing activities			
Purchase of property, plant and equipment	**(6,885)**	(7,794)	(12,837)
Net cash flows used in investing activities	**(6,885)**	(7,794)	(12,837)
Cash flow from financing activities			
Equity dividend paid	**(1,650)**	(850)	(1,600)
Interest paid	**(42)**	(45)	(129)
Drawdown of borrowings	**4,500**	2,500	500
Net cash flows generated from/ (used in) financing activities	**2,808**	1,605	(1,229)
Net increase / (decrease) in cash and cash equivalents	**2,169**	(1,098)	118
Opening cash and cash equivalents	**2,770**	2,651	2,652
Closing cash and cash equivalents	**4,939**	1,553	2,770

Revolution Bars Group plc
Condensed Consolidated Statement of Changes in Equity
for the six months ended 31 December 2016

		Reserves		
	Issued Share Capital £'000	Merger reserve £'000	Retained earnings £'000	Total shareholders' equity £'000
At 30 June 2015	50	11,645	24,880	36,575
Total comprehensive income for the period	-	-	4,000	4,000
Dividend	-	-	(850)	(850)
At 31 December 2015	50	11,645	28,030	39,725
Total comprehensive income for the period	-	-	2,069	2,069
Share based payment	-	-	138	138
Dividend	-	-	(750)	(750)
At 30 June 2016	50	11,645	29,487	41,182
Total comprehensive income for the period	-	-	3,850	3,850
Share based payment	-	-	68	68
Dividend	-	-	(1,650)	(1,650)
At 31 December 2016	**50**	**11,645**	**31,755**	**43,450**

Notes to the Half-yearly Financial Report

1. Reporting entity

Revolution Bars Group plc (the 'Company') is a company incorporated and domiciled in the United Kingdom. Its Registered Office is at 21 Old Street, Ashton under Lyne, OL6 6LA, United Kingdom. The Company's shares are listed on the London Stock Exchange.

This half-yearly Financial Report is an interim management report as required by DTR 4.2.3 of the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority (the 'FCA').

These condensed consolidated interim financial statements as at and for the six months ended 31 December 2016 comprise the Company and its subsidiaries (together referred to as the 'Group').

2. Basis of preparation

The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. As required by the Disclosure Guidance and Transparency Rules of the FCA, the condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the company's published consolidated financial statements for the year ended 30 June 2016.

The annual financial statements of the Group are prepared in accordance with IFRSs adopted by the European Union.

The comparative figures for the financial year ended 30 June 2016 are extracted from the Company's statutory accounts for that year. Those accounts have been reported on by the Company's auditor, filed with the Registrar of Companies and are available on request from the Company's Registered Office or to download from www.revolutionbarsgroup.com. The auditor's report on those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain any statement under sections 498 (2) or (3) of the Companies Act 2006.

The condensed consolidated financial statements of the Group for the six months ended 31 December 2016 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30 June 2016

3. Significant accounting policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2016. These accounting policies are expected to be applied for the full year to 30 June 2017.

4. Key Risks

The directors set out below the principal risks and uncertainties that face the business;

- Dependence on key sites
- Acquisition of new sites
- Consumer demand
- Discounting
- Health and safety
- Leasehold rents
- Supplier concentration
- National minimum/living wage

The key risks are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2016. Further detail on the key risk is detailed on page 14 of the Revolution Bars Group plc Annual Report 2016.

5. Going concern

The Directors have reviewed the Group's trading forecasts for the next twelve months and formed a judgement at the time of approving the financial information that there is a reasonable expectation that the Group has adequate resources, including its committed £10 million Revolving Credit Facility ("RCF"), to continue in operational existence for the foreseeable future. The Directors also expect to utilise the RCF for cash flow management and general business purposes as required from time to time. Consequently, the Directors believe that, overall the Group is well placed to manage its business risk successfully.

On the basis of the above paragraph the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the consolidated financial information.

6. Income tax

The effective tax rate for the half year was 17%. This is lower than the UK Corporation Tax Rate of 20%, mainly due to accelerated capital allowances in respect of investments in property, plant and equipment.

7. Exceptional items

	(Unaudited) 31 December 2016 £'000	(Unaudited) 31 December 2015 £'000	Year ended 30 June 2016 £'000
Professional fees for aborted corporate transaction	**-**	-	1,063
Contract termination	**-**	-	329
Total exceptional items	**-**	-	1,392

8. Dividends

A final dividend of 3.3p per share totalling £1,650,000 was declared on 1 December 2016 and was paid on 8 December 2016.

An interim dividend of 1.65p per share totalling £825,000 was declared on 28 February 2017 and will be paid on 6 April 2017. This is not recognised as a liability at 31 December 2016.

Responsibility statement of the directors in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

•the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU
•the interim management report includes a fair review of the information required by:

(a)DTR 4.2.7R of the Disclosure Guidance and Transparency Rules , being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b)DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Directors of Revolution Bars Group plc are detailed on page 22 of the Revolution Bars Group plc Annual Report 2016.

By order of the Board

Chris Chambers
Finance Director

INDEPENDENT REVIEW REPORT TO REVOLUTION BARS GROUP PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2016 which comprises the condensed consolidated Statement of Comprehensive Income, condensed consolidated Statement of Financial Position, condensed consolidated Statement of Cash flows, condensed consolidated Statement of Changes in Equity and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA"). Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2016 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FCA.

Stuart Burdass

for and on behalf of KPMG LLP

Chartered Accountants

1 St Peter's Square, Manchester, M2 3AE

28 February 2017